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ISSUES FOR NSC U.S. SPACE LAUNCH STRATEGY NSDDBackground

- ° Meeting is culmination of deliberations on national space launch recovery since Challenger disaster. SIG (Space) reviewed issue.
- ° D/ICS represented you on SIG (Space) and ICS served on this working group
- ° The agenda is:

- Introduction	John M. Poindexter
-- Background	(10 minutes)
-- Issues for Decisions	
- Senior Interagency Group	Gerald M. May (NSC)
Study Findings	(15 minutes)
- OMB Funding Options	Randall Davis (OMB)
	(5 minutes)
- Discussion	All participants
	(25 minutes)
- Summary	John M. Poindexter
	(5 minutes)

Potential Issue #1: Commercial Space Transportation

- ° Competition with U.S. industry is not STS but rather ARIANE V and other foreign launchers
- ° Because of large up-front costs (\$1B) and market uncertainties, U.S. industry must have tangible incentive to make required investment
- ° Incentive begins with NSDD policy and may involve Government support during development
- ° National security significantly benefits from commercial medium-range lift capability for small payload satellites
- ° Position: A competitive commercial expendable launch vehicle capability is of first-order national importance

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Potential Issue #2: Procurement of Fourth Orbiter

- ° Postponing the procurement of a fourth orbiter in favor of developing an STS follow-on system would mandate reliance on an orbiter fleet with little or no backup for 7 - 10 years

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- ° Position: A fourth orbiter is in the best interests of national security even though it would be based on dated technology

Potential Issue #3: Delay in Vandenberg Shuttle Launch Complex Operational Capability

- ° Discussion of Vandenberg not included in draft NSDD
- ° NASA may want to introduce wording in NSDD to require VAFB capability
- ° NASA view is that any decision to delay VAFB can be read as reducing national security commitment to shuttle program and undermines fourth orbiter procurement
- ° Position: Should resist as not required in the policy document
  - Specific wording reduces future flexibility
  - Current Vandenberg mothball proposal maximizes operational capability at Kennedy in the near term
  - Vandenberg could be reactivated when new fourth orbiter becomes operational and in time to support national security launch (October 1991)

Potential Issue #4: Supplemental Funding Approaches

- ° Overlaying the entire discussion is how to pay for the supplemental to recover from Challenger accident

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- OMB position is that DOD and NASA should identify offsets to fund
  - OMB alleges that NASA has identified offsets
  - Messrs. Weinberger/Taft strongly resist coming up with offsets
- Position: Support DOD in this area as offset drill may require sources from NFIP

Potential Issue #5: Whether the Draft NSDD Should "Supercede" or "Update" NSDD 164 - National Security Launch Strategy

- NSDD 164, dated 25 February 1985, outlines in very specific terms shuttle launch rates (24/year), DOD share of launches (at least one-third of available STS flights) and pricing policy
  - NASA favors using "updates" wording to keep basic tenets of this policy in tact
  - DOD believes this document should supercede the certain paragraphs dealing with the above specifics
  - NSDD 164 was the source for press allegations that the White House put pressure on NASA to maintain artificial flight rate ("24/year")
  - Flight rates and pricing policy will undoubtedly change as a result of Challenger aftermath and TITAN accidents
  - Position: If raised, support DOD in inserting "supercedes paragraphs 2, 3, and 4 of NSDD 164" vice "updates . . ." as this will preserve your flexibility for operational requirements and cost-effective launch options